

HOUSE BILL REPORT

HB 2563

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to processing liquor licenses.

Brief Description: Concerning the processing of liquor licenses.

Sponsors: Representatives Wood, Conway, Fromhold and Condotta; by request of Liquor Control Board.

Brief History:

Committee Activity:

Commerce & Labor: 1/18/06, 1/23/06 [DPS].

Brief Summary of Substitute Bill

- Makes changes to the law related to the processing of liquor licenses, and other technical changes.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Holmquist, Hudgins, Kenney and McCoy.

Staff: Lara Zarowsky (786-7119) and Jill Reinmuth (786-7134).

Background:

The Liquor Control Board (Board) controls the sale and distribution of alcohol by issuing licenses and enforcing laws related to the sale of alcohol. Liquor licenses are issued by the Board in accordance with state law and rules adopted by the Board.

Notice and Comment

The Board must send notice of an application to the city, town, or county within which a liquor license is to issue. The city, town, or county has the right to file a written objection to the application within 20 days after the date the notice was transmitted.

The Board must send notice of an application by certified mail to churches, schools, and public institutions within 500 feet of the premises for which a license is to issue. The term

"public institutions" is not defined, and has been interpreted to include post offices, fire stations, and state agencies.

Temporary Licenses

A temporary licence may be issued to an applicant with a pending application, for purposes of continuing the operation of a retail premise, provided that the premise has operated under a retail license within 90 days of filing the temporary license application.

The Board is authorized to renew a temporary license for one 60-day period.

Residency

A person must reside in the state for at least one month prior to submitting an application for a retail license of any kind.

Summary of Substitute Bill:

Various changes are made to RCW 66.24.010 related to processing liquor licenses.

Notice and Comment

The Board is authorized to extend the time period within which a city, town, or county may file a written objection to an application.

Temporary Licenses

The Board is authorized to issue a temporary license for use on a premise not previously licensed to sell alcohol, and to renew temporary licenses at its discretion for periods of 60 days.

Residency

A person must reside in the state for at least one month prior to receiving a license. The Board may process an application, but not issue a license, for an applicant who has not resided in the state for at least one month.

Substitute Bill Compared to Original Bill:

Language in the original bill limiting the notice requirement so that only public institutions of higher education receive notice is deleted.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (In support of original bill) The term "public institutions" was put into place in the 1930s with no further definition. As a result, Board staff have interpreted the notice requirement to include fire stations, hospitals and DSHS offices. These institutions really have no interest in whether a liquor license establishment will be put into place, and sometimes see the notices as a nuisance. Changing the definition of "public institutions" to apply only to colleges and universities, where there is a greater interest in knowing when a liquor establishment will be opened, would be a solution to this.

Extending the pilot program that was started a few years ago to continue issuing temporary licenses to new businesses, not just those where there is a change of ownership, will allow them to begin operating about three weeks earlier. All the same notice and comment requirements apply to temporary license applications as to permanent license applications.

(With concerns on original bill) Changing the notice requirement so that only public institutions "of higher education" are being notified removes the requirement, and relieves the Board from giving due consideration, to public institutions like parks, community centers and libraries. If you add higher education and take out the larger public institutions, a question is raised about whether the Board will change their practice and fail to take into account these considerations. We have private colleges and universities in the City of Seattle. The change in language might not ensure that notice will be sent to all colleges and universities since the language specifies "public institutions of higher education" and some institutions of higher education are private. Seattle University and Seattle Pacific University, for example, might not be notified and considered when liquor license applications are received if the notice requirement is changed.

Testimony Against: None.

Persons Testifying: (In support) Lorraine Lee, Licensing Director, Washington State Liquor Control Board.

(With concerns) Rose Feliciano, City of Seattle

Persons Signed In To Testify But Not Testifying: None.